

Waiver to 30 CFR 250.461 (a) - Survey Requirements for a Vertical Well which states:

(1) You must conduct inclination on each vertical well and record the results. Survey intervals may not exceed 1,000 feet during the normal course of drilling.

(2) You must also conduct a directional survey that provides both inclination and azimuth, and digitally record the results in electronic format:

(i) Within 500 feet of setting surface or intermediate casing

(ii) Within 500 feet of setting any liner: and

(iii) When you reach total depth

The Eugene Island Block 223, OCS-G 21640 Well No. 1 is planned as a straight hole. The high wellbore temperatures expected in the deeper sections (12 ¼" x 14 ¾", 10 5/8" x 12 ¼", 9 7/8" & 8 ½" Hole) of this well will exceed the operational capabilities of MWD equipment. Therefore, a waiver is requested of the requirement to run inclination surveys during the normal course of drilling with approval to run directional surveys at electric logging/ casing points.

The highest temperature rated LWD/MWD tools are the Weatherford's hostile environment tools, rated to 356° F. The static bottom hole temperature is unknown, but predicted to be ~420°.

Acquisition of survey data in the current wellbore, if not logging in open hole, would require that wireline be run inside drill pipe while the drill string is in open hole. Further to this point the drill string must be left static while surveying. Due to the risk of sticking the drill pipe or losing the wireline inside the drill pipe (in turn possibly creating well control issues), we ask that we're allowed to survey with open hole logs once the well is at total depth.